

WEIL, GOTSHAL & MANGES LLP
Stephen Karotkin (*pro hac vice*)
(stephen.karotkin@weil.com)
Ray C. Schrock, P.C. (*pro hac vice*)
(ray.schrock@weil.com)
Jessica Liou (*pro hac vice*)
(jessica.liou@weil.com)
Matthew Goren (*pro hac vice*)
(matthew.goren@weil.com)
767 Fifth Avenue
New York, NY 10153-0119
Tel: 212 310 8000
Fax: 212 310 8007

KELLER & BENVENUTTI LLP
Tobias S. Keller (#151445)
(tkeller@kellerbenvenutti.com)
Jane Kim (#298192)
(jkim@kellerbenvenutti.com)
650 California Street, Suite 1900
San Francisco, CA 94108
Tel: 415 496 6723
Fax: 650 636 9251

*Attorneys for Debtors
and Debtors in Possession*

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re:

PG&E CORPORATION,

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

- ☐ Affects PG&E Corporation
☒ Affects Pacific Gas and Electric Company
☐ Affects both Debtors

** All papers shall be filed in the Lead Case,
No. 19-30088 (DM).*

Bankruptcy Case
No. 19-30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

Related Docket Ref: Docket No.: 977

**STIPULATION BETWEEN THE
DEBTORS AND ESVOLTA, LP TO
PERMIT TERMINATION OF ENERGY
STORAGE RESOURCE ADEQUACY
AGREEMENT**

[No Hearing Date Requested]

1 Pacific Gas and Electric Company (the “**Utility**”), as debtor and debtor in
2 possession in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”), and esVolta, LP
3 (“**esVolta**”), by and through their respective counsel, hereby submit this stipulation (the
4 “**Stipulation**”), for an Order approving their agreement to allow for the termination of the Energy
5 Storage Resource Adequacy Agreement (the “**Agreement**”) between Hummingbird Energy
6 Storage, LLC (“**Hummingbird**” and, together with esVolta, the “**esVolta Parties**”), a wholly-
7 owned subsidiary of esVolta, on the one hand, and the Utility, on the other hand, and to the extent
8 applicable, the modification of the automatic stay pursuant to section 362 of title 11 of the United
9 States Code (the “**Bankruptcy Code**”), and represent and agree as follows:

10 **RECITALS**

11 A. On January 29, 2019 (the “**Petition Date**”), PG&E Corporation and the
12 Utility (collectively, the “**Debtors**”) commenced the Chapter 11 Cases in the United States
13 Bankruptcy Court for the Northern District of California (the “**Bankruptcy Court**”).

14 B. On March 20, 2019, esVolta filed a *Motion and Memorandum of esVolta,*
15 *LP for Entry of an Order Confirming Safe Harbor Protection Under 11 U.S.C. §§ 362(b)(6) and*
16 *556* (together with the Declaration filed in support thereof, and an accompanying Motion to File
17 Under Seal, the “**Safe Harbor Motion**”) [Dkt Nos. 974, 977, and 979] seeking an Order of the
18 Court confirming that, inter alia, the safe harbor provisions of sections 362(b)(6) and 556 of the
19 Bankruptcy Code apply to permit esVolta to exercise its contractual rights to terminate the
20 Agreement without obtaining relief from the automatic stay;

21 C. The Utility has raised with esVolta certain informal objections to the relief
22 requested in the Safe Harbor Motion.

23 D. The parties hereto desire to resolve their issues regarding the Safe Harbor
24 Motion and the Agreement.

25 E. The Official Committee of Unsecured Creditors and the Official
26 Committee of Tort Claimants have each reviewed the Stipulation and have no objection to the
27 agreements set forth herein or to entry of an Order approving the terms of the Stipulation.

1 NOW, THEREFORE, UPON THE FOREGOING RECITALS, IT IS
2 HEREBY STIPULATED AND AGREED, BY AND BETWEEN THE PARTIES, THROUGH
3 THE UNDERSIGNED, AND THE PARTIES JOINTLY REQUEST THE COURT TO ORDER,
4 THAT:

5 1. This Stipulation shall have no force and effect unless and until approved by
6 the Bankruptcy Court (the date of entry of an Order approving the Stipulation, the “**Approval**
7 **Date**”).

8 2. Upon the Approval Date, to the extent applicable and subject to the
9 reservations set forth in this Stipulation, the parties hereto agree that the automatic stay under
10 section 362 of the Bankruptcy Code shall be modified solely to the extent necessary to authorize
11 (but not direct) the esVolta Parties to exercise their contractual rights to terminate the Agreement
12 in accordance with, and pursuant to, the express terms and provisions of the Agreement. The
13 time in which the esVolta Parties must provide notice of the exercise of any contractual right
14 under the Agreement as set forth herein shall begin to run on the Approval Date.

15 3. Upon the Approval Date, each of the parties hereto agrees that it shall not be entitled
16 to assert any claim for damages against the other arising out of or relating to the esVolta Parties’
17 exercise of their contractual rights with respect to the Agreement as set forth herein, provided
18 however that nothing in this Stipulation shall prejudice or release any claim that the esVolta Parties
19 may assert for the return and release of any collateral they have pledged (or will pledge at any time
20 hereafter) with respect to the Agreement and, provided further, that this paragraph 3 shall no longer
21 be effective in the event that the Debtors choose to assume the Agreement pursuant to section 365 of
22 the Bankruptcy Code.

23 4. Within three (3) Business Days of the Approval Date, the esVolta Parties
24 shall withdraw the Safe Harbor Motion, with prejudice.

25 5. This Stipulation shall constitute the entire agreement and understanding of
26 the parties relating to the subject matter hereof and supersede all prior agreements and
27 understandings relating to the subject matter hereof.

1 6. This Stipulation may be executed in counterparts, each of which shall be
2 deemed an original but all of which together shall constitute one and the same agreement.

3 7. The Bankruptcy Court shall retain jurisdiction to resolve any disputes or
4 controversies arising from this Stipulation.

5
6 DATED: April 12, 2019

7 HOGAN LOVELLS US LLP

8 /s/ Erin N. Brady
9 Erin N. Brady (CA 215038)
10 Attorneys for Party in Interest
 esVolta, LP

11
12 DATED: April 12, 2019

13 WEIL, GOTSHAL & MANGES LLP
14 KELLER & BENVENUTTI LLP

15 /s/ Thomas B. Rupp
16 Thomas B. Rupp
17 Attorneys for Debtors
18 and Debtors in Possession
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